

Application number: 09/396005

Art Unit: 3621

Applicant: Khai Hee Kwan

Examiner: Evens Augustin

Title: Method, apparatus and program to make payment in any currencies through a communication network system using prepaid cards

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

TO: Commissioner for Patents

Virginia 22313-1450

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ATTEN: Board of Patent Appeals and Interferences

SUPPLEMENTAL APPEAL BRIEF

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This supplemental appeal brief is submitted in connection to the adverse 'Notice of Non-Compliant Appeal Brief' dated May 20, 2009. The following sections :

1. GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL

15

2. ARGUMENT

have been amended and will replace the original as filed (18 April 2009) in their entirety.

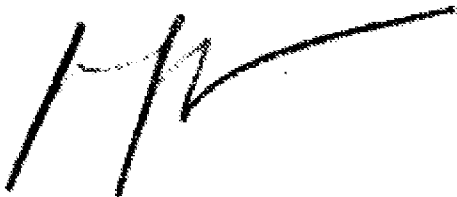
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There are NO other amendments for other sections (including appendixes) as filed on 18 April 2009 and if in doubt shall remain as incorporated here by reference for the purposes of this appeal.

Thank you.

25

Yours truly,

A handwritten signature in black ink, appearing to be 'H. Kwan', written over a horizontal line.

30

Appellant/Applicant

023336

2 June, 2009

Application number: 09/396005

Art Unit: 3621

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GROUND OF REJECTION TO BE REVIEWED ON APPEAL

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A. Whether the examiner's Claim rejection under 35 USC 112 (2nd Para) for claims 26, 36 and 41 at page 2 of Final Action Letter (mailed 18 March 2009) is sustainable ?

10

B. Whether the examiner's Claim rejection under 35 USC 103 (a) for claims 13-14, 26, 33-36, 38-46 and 48 – 52 at page 3-7 of Final Action Letter (mailed 18 March 2009) is sustainable ?

Application number: 09/396005

Art Unit: 3621

Applicant: Khai Hee Kwan

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ARGUMENT

- 5 A. Whether the examiner's Claim rejection under 35 USC 112 (2nd Para) for claims 26, 36 and 41 at page 2 of Final Action Letter (mailed 18 March 2009)is sustainable ?

Claims 26, 36 and 41.

- 10 Firstly, the examiner failed to identify which specific TWO variables are related to each other in order for this appellant to explain. In fact, it is clear that all the claimed variables are 'related' by multiplying as seen in the mathematical formula (Stored value = B * D* L * C* R) by multiplying each one against each other.

- 15 Further it is also necessary to reason from one ordinary skilled in the art that such claimed language in light of the supporting specification would not be able to ascertain with a reasonable degree of precision and particularity the particular area set out and circumscribed by the claims. (Ex parte Wu, 10 USPQ 2d 2031, 2033(BPAI 1989)). The appellant respectfully submits the examiner had not discharged this initial burden.

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- In reference to the term 'R' is a factor related to flexibility in currency stored. This was explained by asking whether the user wish to store in local or foreign currency, if it is local then use variable '1' else the currency factor/exchange. (This is clearly explained in page 31 in specification). With respect, it is submitted there is no difficulty in interpreting a yes for local currency (use '1') or no answer (use currency exchange). Therefore, R changes in accordance to feedback from the user and if it is not '1' then R becomes a factor corresponding to the selected exchange rate at that time. There is clearly no evidence that one skilled in the art does not know how to program to vary the factor upon receiving the 'flexibility' feedback from the user.
- 25

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Application number: 09/396005

Art Unit: 3621

Applicant: Khai Hee Kwan

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B. Whether the examiner's Claim rejection under 35 USC 103 (a) for claims 13-14, 26, 33-36, 38-46 and 48 – 52 at page 3-7 of Final Action Letter (mailed 18 March 2009) is sustainable ?

- 5 The examiner's assertions are respectfully rejected. To expedite this submission, the Appellant provides a Summary to meet the rejection under 35 USC 103(a) and followed by specific replies for each rejected claims.

Summary - traversing the examiner's Claim rejection under 35 USC 103 (a)

- 10 The examiner provided Katz (US Patent 6424706 filed March 31, 1999 and published July 23, 2002) is related to telecommunication-time (unit-minute) made transferable between subscribers and subscribers or non-subscribers. See abstract (Katz) which states "A system and method for accessing the value associated with a pre-purchased amount of telecommunication-time for making telephone calls and for uses other than making
15 telephone calls is provided". (underlined mine)

- At para 8 of Final Action Letter at page 3, the examiner also stated that ".....Katz discloses a method and system for purchasing, storing, exchanging, converting, transferring, and other advantageous using prepaid stored value accounts." However,
20 Katz actually gave **Examples** of what are these stored value accounts at Col 1 line 10 and Appellant quotes "...for example, accounts of frequent-flyer miles, shopping-stamp premiums, prepaid transportation tickets or badges (such as Transit Pass or EZ Pass) and long distance or other telephone card minutes." It is submitted that under the principle of construction *expressio unius est exclusio alterius* (the express mention of one thing
25 implies the exclusion of another), this must necessarily mean Katz want his invention to work within those stated examples and not for others (unmentioned) or as implied by the examiner (ie prepaid cash card or stored funds in any currencies as claimed.)

With respect, there is no “stored funds in any currencies” found in Katz’s example which is claimed by this invention. It is well known in the art that frequent-flyer miles is not stored funds but miles or unit of value recognized by specific airlines (service provider).

- 5 For the same reason, neither are shopping-stamp premiums nor prepaid transportation tickets and long distance prepaid cards inherently reveal “stored funds in any currencies” since all of these are already converted to units of value provided by respective service provider which is not fungible like ordinary funds denominated in any currencies. In fact, it is obvious by naming “stored value account”, Katz was distinguishing it from an
- 10 account that could store funds (ie monetary vs value units-mileage, trips or time etc). Katz at Col 1 line 22-24 even stated “...wherein the telecommunication-time has a value associated with the cost of local and long-distance telephone call minutes.” which clearly evidence a TIME unit-account and NOT as claimed for “stored funds in any currencies”. Even if it could be monetised (which is denied) it is governed by a COST relationship as
- 15 stated in the second half “..with cost of local and long-distance telephone call minutes” It is submitted it is not inherent for one skilled in the art to read ‘COST’ to be ‘stored funds in any currencies’ as it is not known in the art that telecommunication providers account its call minutes as stored funds.

- 20 With respect, the examiner had failed to show telecommunication-time (unit-minute) is inherently to ‘stored funds’ to one skilled in the art of telecommunication. The appellant submits there is a clear admission by Katz’s teaching to convert the unit-minute (unused) to funds at a redemption office 202 or bank 221. (See Fig 3A) Why is there a need to reconvert from unit-minute to funds if both are the same ? It is patently clear unless an
- 25 explanation is articulated in view of difference (stored funds and unit-value), the teaching of Katz in reaching this claimed element “stored funds in any currencies” is misconceived and unsustainable.

Application number: 09/396005

Art Unit: 3621

Applicant: Khai Hee Kwan

Examiner: Evens Augustin

Title: Method, apparatus and program to make payment in any currencies through a communication network system using prepaid cards

It is also pertinent to note that Katz uses a prepaid CALLING card and not a prepaid card, the difference here is that a prepaid calling card is only for making telephone calls with a specific operator while a prepaid card is to make purchases (denominated in funds/currency) with any payee. Clearly, Katz intends his prepaid calling card to be

5 limited to telephone calls as supported by Katz own teaching of its stored value in unit-minute and only transfer unused unit minutes to another followed by redemption (if any) in cash. Note that at the material time of transfer the units are still “unit-minute” in contrast with our claimed ‘stored funds in any currencies’.

- 10 Even if a prepaid card can be used to make a telephone call (ie buying call units), it does not mean a prepaid calling card in Katz could be used for purchases in its “unit-minute” and requires RE-converted to funds at office 202 or bank 221. In fact that is the essence of Katz’s invention which is to make use of unused prepaid unit-minutes for purchases or other services other than making a phone call but this is not the same as saying a prepaid
- 15 calling card can be used as stored funds directly.

- Even if prepaid card is broad enough to include prepaid calling card (which is denied), the fact in this claimed invention at claim 13,34,39 is the key element is “said stored funds is deposited from a prepaid card” to an identifiable account and as submitted above,
- 20 a prepaid calling card in Katz is not capable of depositing funds to an user’s account as it limited to unit-minutes for telecommunication. In Katz, funds are only recognized when unused prepaid unit-minutes leave the system and enter into some financial network or at the redemption office and not at the time of depositing.

Application number: 09/396005

Art Unit: 3621

Applicant: Khai Hee Kwan

Examiner: Evens Augustin

Title: Method, apparatus and program to make payment in any currencies through a communication network system using prepaid cards

- Lastly with respect, all the obviousness rejections should be withdrawn . Even when obviousness is based on a single prior art reference there must be a showing of a suggestion or motivation to modify the teachings of that reference. See B.F. Goodrich Co. v. Aircraft Breaking Sys. Corp., 72 F.3d 1577, 1582, 37 USPQ2d 1314, 1318 (Fed. Cir. 1996). Save for Claims 26, 36,41 (in combination with Walker – US 6138106), the examiner had not provided any motivation and therefore such rejections are unsafe.

Claim 13,34,39

- The following Table A summarized the main differences element by element between Katz and the claimed invention 13,34,39. The ITEM ‘X’ (in Katz’s column) refers to Examiner’s comments in Final Action Letter mailed 18 March 2009.

Items	Claimed Elements	Katz	Comments
1	a host server having a database to transfer stored funds in any currencies	uses a computer 343 having its own database 344 and a prepaid telco computer 172 also having its own database 173 of prepaid minute accounts stored. Unused prepaid minutes then exits the telcos’ system by interfacing with financial (360) network – transfer into the payee’s accounts (See Fig 3A in Katz)	Katz’s requires its unit-minute system 340 to <u>interface</u> with prepaid platform 170 each having their own computer cum databases. This means it needs 2 host servers (343,172) and 2 databases (173, 344) in contrast to claimed invention with database to transfer stored funds in any currencies. <u>Nothing in Katz teaches its database is capable to transfer stored funds distinguishing from unit-minute.</u>

Application number: 09/396005

Art Unit: 3621

Applicant: Khai Hee Kwan

Examiner: Evens Augustin

Title: Method, apparatus and program to make payment in any currencies through a communication network system using prepaid cards

2	said stored funds is deposited from a prepaid card <u>into an account linked to an user created identifier</u>	prepaid calling card or credit card or bank account are used to deposit or <u>prepaid stored value account such as telephone call minute accounts</u> (Col 4 lines 40-44 in Katz) (ITEM G of Final Action Letter)	Katz's cards can only store unit-minutes not <u>funds</u> . Credit cards/bank accounts are used to buy <u>unit-minutes</u> which are then deposit. At all times Katz made it clear he is utilising unit-minutes which has been converted from funds to enter into telco's system. Examiner made no mentioned of <u>user created identifier missing in Katz</u> .
3	said transfer is made without interacting with said payee	In a preferred embodiment, after unit-minute transactions are completed, the system <u>notifies</u> both parties of the success of the transaction, and provides a unique transaction identifier that can be used for future reference and validation. (Col 8 line 48-50 in Katz) (ITEM H of Final Action Letter)	Since Katz has to provide an unique transaction identifier then there must be communication (ie interaction). The examiner used Col 8 lines 63-64 which deals with the hardware (Financial network) to make transfer but <u>silent as to "without interaction with payee"</u> . However, said 'transfer' refers to "a host server having a database to transfer stored funds" cf with financial network in Katz.
4	independently of said prepaid card	using a smart card adapter in association with wireless device or PDA (Col 21, line 50-55 in Katz) (ITEM H of Final Action Letter)	using the prepaid card as a store value which is contrary to storing funds in database
5	upon authenticating the payee's account identifier, <u>instantly</u> crediting the fund to	Examiner provided ITEM F in page 4 of Final Action Letter.	No <u>instantly</u> crediting funds. As mentioned Katz deals with unit-minute, there is a need to convert

Application number: 09/396005

Art Unit: 3621

Applicant: Khai Hee Kwan

Examiner: Evens Augustin

Title: Method, apparatus and program to make payment in any currencies through a communication network system using prepaid cards

	the payee's account upon determining balance in the database associated with the payer account identifier and password is more than the fund for transfer;		and then to transfer to banking institutions etc. The action of relying on third party to carry the last leg of the transfer must necessarily means it is not instantly.
6	<u>instantly</u> debiting the balance associated with the payer's account identifier and password in the database with said fund transferred to said payee's account;	No mentioned by Katz or Examiner	Not instantly, financial institutions uses a clearing house.

Discussion on Item 1 of Table A

a host server having a database to transfer stored funds in any currencies

The examiner provided comments in Item A and C at page 3 & 4 of Final Action Letter.

5

Fig 3A of Katz provides the entire system interconnection to satisfy a transfer of unit-minutes and linking to a financial network 223 and 365 to complete the conversion to funds (two stage process). As noted, Katz provides United Minute System (UMS) 340 which is adapted to interface with prepaid platform 170. As taught by Katz the 'transfer' is done as explained at col 9 line 5 to line 25 and the Appellant quotes:

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Application number: 09/396005

Art Unit: 3621

Applicant: Khai Hee Kwan

Examiner: Evens Augustin

Title: Method, apparatus and program to make payment in any currencies through a communication network system using prepaid cards

“For instance, in a preferred embodiment, the present invention leverages existing prepaid minute accounts stored within a prepaid telephone platform, rather than replacing them with the invention's own minute accounts. Therefore, in order to perform the necessary unit-minute transactions, the unit-minute system must have read and write
5 access to these accounts, and a converter for converting the existing prepaid minutes of the prepaid platform to the unit-minutes of the invention. Furthermore, any changes to data fields of the prepaid platform's minute account that are accessed by both the prepaid platform and unit-minute system must be made using a method that guarantees transactional integrity. Such access may be accomplished by integrating the transaction
10 processing subsystem of the unit-minute system's computer system with the transaction processing subsystem of the prepaid platform by an adapter. Each system's transaction processing subsystem will in turn communicate with its respective database as needed to update any changed fields. Once the two systems are integrated in such a fashion, changes made by either system to such shared fields will be communicated to both
15 systems in a transactionally safe and reliable fashion.” (underlined mine for emphasis)

From above teaching (See Fig 3A of Katz) it is shown more than one host (UMS 340 and Prepaid Platform 170) and more than one database (173 and 344) are needed to effect a transfer of unit-minutes (not stored funds as claimed). It is also clear that by itself UMS
20 340 cannot transfer any unit-minute as it depends on prepaid minutes from another database 173 (telco) to synchronize to its own database 344. This “interface” is said to be an advantage of the Katz's system having its own database to leverage (something like piggy-back) on the telco's prepaid database. The transaction process is (for Katz' system) by accessing the telco's prepaid database to read/write its data (being unit-minutes).

25 This teaching clearly does not meet this claimed invention, as this claimed invention as a whole has no interface between two databases from two different host servers belonging

Application number: 09/396005

Art Unit: 3621

Applicant: Khai Hee Kwan

Examiner: Evens Augustin

Title: Method, apparatus and program to make payment in any currencies through a communication network system using prepaid cards

to two different entities. There is not even a telco database with unit minutes in the claimed invention.

In effect, this invention having claimed “a host server having a database to transfer stored
5 funds in any currencies over said network” is not even found in Katz which subscribes to piggy backing (interfacing) on telco’s database for prepaid unit-minutes and converting/redeeming the excess unit-minute via financial interface 361 (See Fig 3A).

Even if there are multiple host servers (with corresponding database) in the invention,
10 NONE of them are capable of interfacing with a Telco as a required/taught in Katz in order to read/write into its database and to carry out the transfer as Katz deals with Telco’s unit-minutes.

Clearly how Telco’s unit-minutes (found in Telco’s database) reads into the structure of a
15 database to transfer stored funds in any currencies has never been explained by the examiner in view of Katz’ teaching in (FIG 3A) of interfacing (336) with telco’s database and financial interface (360/1) to redeem the funds.

20 Discussion on Item 2 of Table A

said stored funds is deposited from a prepaid card into an account linked to an user created identifier

Katz teaches using a prepaid calling card to deposit unit-minutes or a credit card (col 6
line 33) or bank account (col 6 line 44) and uses a stored value accounts such as
telephone call minute account (col 4 line 43). This means FUNDS converted to prepaid
25 call minute.

It is clear these facilities do not deposit FUNDS rather they are deposited as prepaid unit-minutes in the prepaid platform 173 and unit-minutes in the database 344 of UMS 340 (See Fig 3A). Funds from these facilities are used to purchase unit-minutes and it does
5 not necessarily shows depositing funds, because funds are already used/converted to unit-minute. It is well known that a telco must uses unit-minutes as a measurement of its service system.

The main function of a telecommunication service provider is to provide
10 telecommunication services and therefore its unit of measurement must be in minutes and not funds. Further, Katz's invention is to apply any unused unit-minutes to do something else other than making a phone call without modifying the function of a telco in contrast with this invention where it is designed to transfer funds deposited by a prepaid card.

15 The examiner provided at item G page 5 "The account is which funds are being transferred from is prepaid stored value account" and supported this by col 4, line 42 which states "...such as telephone call minute accounts containing telecommunication-time units, over a network is provided".

20 The examiner provided no reasoning to show how one skilled in the art of telecommunication must inherently see call minutes accounts containing telecommunication-time units must necessarily be stored funds. It is submitted that because the examiner fails to show that a prepaid stored value account must necessary store funds in a telecommunication service provider, inherency is not found. Furthermore,
25 if funds is stored instead of telecommunication-time units, conflicting with the example given by Katz for the need to convert to funds through the financial interface (360 in Fig 3A) network ('conversion') and turned Katz's invention of transferring

Application number: 09/396005

Art Unit: 3621

Applicant: Khai Hee Kwan

Examiner: Evens Augustin

Title: Method, apparatus and program to make payment in any currencies through a communication network system using prepaid cards

telecommunication-time units into something it is not obvious to do for a telco (ie transferring stored funds without any reason or motivation).

5 Secondly, the examiner also failed to show claimed element “into an account linked to an user created identifier”. It is clear that the subscriber in Katz is given a telephone number as the identifier (Katz - Col 7 line 6). It is submitted it is not known that this telephone number is an user created identifier in the telecommunication art. In short, it is impossible for user to create his own telephone number as his own account in the art as opposed to choosing/selecting his own number from a list of available ones.

10

Discussion on Item 3 & 4 of Table A

said transfer is made without interacting with said payee and independently of said prepaid card

15 As mentioned in Katz because the first stage of the transfer concerns unit-minutes, then it is necessary to redeem to money/funds in contrast to this claimed invention where the funds are STORED in any currencies for transfer (by double book entry) in database. Clearly, the act of transferring to payee (by redeeming into physical cash) in one form will require interacting with the payee in Katz.

20 Firstly, Katz clearly provides “transfer” to mean transferring of unit-minutes and not as in this claimed invention of transferring stored funds. For example, at Col 21, line 9-10, as was written “ Given the ability to transfer and redeem unit-minutes...” clearly shows

Application number: 09/396005

Art Unit: 3621

Applicant: Khai Hee Kwan

Examiner: Evens Augustin

Title: Method, apparatus and program to make payment in any currencies through a communication network system using prepaid cards

unless the unit-minutes are redeemed (outside of the telco's system) it remained in the state of unit-minutes which was made transferable to another.

In reference to "said transfer is made without interacting with said payee" it is submitted
5 this is not met by Katz as it is shown after a payer has transferred his unit-minute then
the payee has to be notified (unique identifier) to redeem the converted unit-minutes
using said unique identifier (Col 8 line 47-51) . This need for notification of said
identifier for that transaction would require interacting with a party (act of receiving) and
failed to meet this claimed invention's element in Item 3 (Table A). If the payee is not a
10 subscriber, then payer will have to inform them directly (col 19, line 34-40).

The examiner in reply only shows " The prior art invention makes an electronic funds
transfer " and provided col 8, lines 63-64. (See Item H at page 5 of Final Action Letter)
The evidence only shows Katz's invention is connected to financial networks such as
15 ATM/POS, FedWire and CHIPS when redemption is required. As stated Katz provided
the electronic funds transfer in connection to the redeemed unit-minutes (after converted
to electronic cash) and not when are still unit-minutes (which logically is incapable of
moving into financial network). At Item H (page 5 of Final Action Letter), the examiner
concluded by stating "therefore the actual transfer is made without any user interaction and
20 regardless of the origination of source funds".

The appellant considers this be an unsustainable conclusion as the examiner had selected
and choose to recognize the converted unit-minutes (as electronic cash IN a financial
network) when the claimed element is for "said transfer", a process which occurs in a
25 database. For example, see element in Claim 13 : "...providing an Internet System

Application number: 09/396005

Art Unit: 3621

Applicant: Khai Hee Kwan

Examiner: Evens Augustin

Title: Method, apparatus and program to make payment in any currencies through a communication network system using prepaid cards

connected to a host server having a database to transfer stored funds in any currencies over said network, said method executable at said host server comprising:..” or element in Claim 34 & 39: “..a host server having a database to transfer stored funds..”

- 5 Moreover, the conclusion by the examiner to show there is no interaction is selective reasoning as he ignored Katz’s collective teaching. As mentioned by Katz, these financial networks interfaced with his telecommunication entities and his UMC (340) to allow the redemption part of the process (as opposed to this claimed invention which is stored & transfer in database) and it is clearly stated where transfer of unit-minutes is concerned,
10 the payer need to inform the payee of the identifier for the transaction (see col 8 line 48-50).

- Moreover, it is pertinent to note this claimed invention requires such transfer to be made “INSTANTLY” by crediting and debiting the nominated accounts (see below). It is well
15 known that ACH/SWIFT/CHIPS (collectively financial network) is an overnight batch process (Col 10 line 10-15). The word “daily” would appear to be longer than instantly.

- As for redemption, even if these financial networks managed to avoid interacting with the final payee during the inter-bank transfer (ACH/SWIFT/CHIPS networks), it is crystal
20 clear that whenever there is a redemption it must necessary involve interacting with the payee since by definition, a redemption is an act done by said payee (For example see Fig 5A at BOX 504 providing redemption password to employee wherein password was from sender BOX 503). In Fig 6 where a subscriber is redeeming his own unit-minute (ie making himself both as payer and payee) via the financial network then it clearly shows
25 him interacting by firstly inserting his ATM card.

Application number: 09/396005

Art Unit: 3621

Applicant: Khai Hee Kwan

Examiner: Evens Augustin

Title: Method, apparatus and program to make payment in any currencies through a communication network system using prepaid cards

Discussion on Item 5 & 6 of Table A

upon authenticating the payee's account identifier, instantly crediting the fund to the payee's account upon determining balance in the database associated with the payer account identifier and password is more than the fund for transfer;

instantly debiting the balance associated with the payer's account identifier and password in the database with said fund transferred to said payee's account;

In the claimed invention, the funds need to debit/credit funds instantly (book-entry in database) and it is clear from the forgoing discussion this is not found in Katz.

5

In conclusion, given the above items 1,2,3,5,6 in Table A are not found in Katz and contradicts item 4 (where a smart card is used), the appellant respectfully submits this obviousness rejection is unsafe and to allow the claims.

10 Further, it is also not appropriate given that the examiner had failed to show why one skilled in the art would modify from transferring unit-minutes to funds within a telecommunication network. The examiner should and ought to explain why one skilled in the art would also be motivated to include an account linked to an user created identifier. Clearly this obviousness rejection is premature and should be withdrawn. Even
15 when obviousness is based on a single prior art reference, there must be a showing of a suggestion or motivation to modify the teachings of that reference. See B.F. Goodrich Co. v. Aircraft Breaking Sys. Corp., 72 F.3d 1577, 1582, 37 USPQ2d 1314, 1318 (Fed. Cir. 1996).

Application number: 09/396005

Art Unit: 3621

Applicant: Khai Hee Kwan

Examiner: Evens Augustin

Title: Method, apparatus and program to make payment in any currencies through a communication network system using prepaid cards

Claims 14, 35,40

These claims deal with storing and linking card amount to an user account identifier. The examiner only made mentioned of “whereby upon completion of storing and linking said prepaid card is valueless” as in page 5 (Item I) of Final Action Letter. The examiner provided col 2 lines 25-26, which provides “First, subscriber 100 inputs their unique subscriber ID, which in the case of long distance prepaid systems is typically a temporary identifier, printed on the card itself and good until all of the minutes associated with the card are used up.”

Understandably this evidence is referring to long distance prepaid cards and the identifier is good until all minutes associated with the card is used up which the appellant does not dispute. However, how is this connected to storing and linking card amount to an user account identifier which in short is to create a permanent identifier ? In this claimed invention, a prepaid card has an amount and identifier (floating state) and this amount can be stored and linked to an user account identifier which on completion, the said card is valueless in contrast to exhausting the minutes associated for long distance calls (as taught by Katz). It is submitted there is a difference between using up the funds in a prepaid card rendering the card valueless (examiner’s suggestion) in contrast to storing and linking those funds to an user account identifier as claimed thereby rendering said card valueless. The user also has to create his own identifier in the process which obviously has to be permanent to distinguish the identifier on the card.

Furthermore, the amount in this claimed invention is stored by calculating its face amount and linking it to user created identifier (NOT card identifier on the prepaid card). At the end of the process, the stored amount is still available but only through the user created identifier and NOT card identifier (on the prepaid card). Hence, in this way the card is

Application number: 09/396005

Art Unit: 3621

Applicant: Khai Hee Kwan

Examiner: Evens Augustin

Title: Method, apparatus and program to make payment in any currencies through a communication network system using prepaid cards

valueless rather than using it for long distance calls. The appellant respectfully submits Katz fails to teach this and hence the claims should be allowed.

No other rejections of the other elements in claims 14,35,40 were made by the examiner.

- 5 To reject the claims, ALL elements in the claims must be shown by the examiner in this instance and there absence could only mean the examiner conceded the other elements are not found in Katz. Furthermore, without a motivation the examiner had not even raise the threshold of prima facie. As stated, even when obviousness is based on a single prior art reference, there must be a showing of a suggestion or motivation to modify the
- 10 teachings of that reference. See B.F. Goodrich Co. v. Aircraft Breaking Sys. Corp., 72 F.3d 1577, 1582, 37 USPQ2d 1314, 1318 (Fed. Cir. 1996).

Claims 26, 36, 41

15

- The examiner says that Walker (US 6138106) teaches a system that randomly adds value to some gift certificates, thereby increasing both the real and apparent value of the certificate both to the buyer and the redeemer. (Final Action Letter page 6-7 Para 9). Also
- 20 note that the Examiner also stated that if these claims are rolled with independent claims (112 issues aside), they would be allowed (Final Action Letter page 3 para 2) which in the appellant's understanding to mean there is no teaching.

- The Appellant respectfully submits that this claimed invention is NOT about randomness,
- 25 its formulation and calculated values are precise and not in any way random. While it is not doubted, one skilled in the art could pursue in whatever ways with a reasonable expectation of success, this by itself could not be motivated when the entire foundation is wrong. The examiner had not explained how 'randomness' could provide the motivation

Application number: 09/396005

Art Unit: 3621

Applicant: Khai Hee Kwan

Examiner: Evens Augustin

Title: Method, apparatus and program to make payment in any currencies through a communication network system using prepaid cards

to morph into a complicated formulation which depends on user's input to reach a final value to STORE the funds in contrast to increasing the value albeit randomly of gift certificate's value. It is patently clear there is a failure connecting between storing value from a prepaid card for later day use by a precise formula to teaching of randomly increasing the value of gift certificates to reveal the former. The appellant respectfully disagree with the examiner's which put no reason at all how Walker's gift certificates would add to Katz's teaching when it is clear Katz's is only interested in unit minutes accounts rather than monetary funds. Katz's need for unit-minutes was so designed to access the telco's database which used unit minutes as a measure of its service. Katz maintained its database (344) to synchronize with the telco's (173) to preserve the unit-minutes is clear (See Fig 3A). Therefore, it is clear the examiner had failed to show the motivation on why one skilled in the art would use the two prior arts to reach the claimed invention, when there is clearly no connection between the two (unit-minutes wanting to be converted to cash (Katz) and randomly varying the gift-certificates' value (Walker)). In fact, its bizarre to suggest using prepaid cards/gift certificates which values increases from time to time randomly as this will surely bankrupt the telco providing such services.

The appellant respectfully ask these claims to be allowed.

Claims 33,38,43

These claims are stating the payer is unknown to said host server. At first glance the appellant is unable to decipher whether the examiner has provided any rejection for this element. On second glance, the examiner noted in Item B at page 4 of Final Action Letter with the words " since the system only asks payer to enter ID and password, password true identity (name, address and birth date) is not known to the system" in response to

Application number: 09/396005

Art Unit: 3621

Applicant: Khai Hee Kwan

Examiner: Evens Augustin

Title: Method, apparatus and program to make payment in any currencies through a communication network system using prepaid cards

“prompting payer to input payer’s account identifier and password” element found in Claim 13,34,39.

5 With respect, this type of rejection is unclear and it appears to be yet another conclusion in reading col 17, lines 50-51 in Katz which states “If the caller ID information is not available in decision 402, a step 403 prompts the caller to input their subscriber ID and PIN.”

10 By way of a background, a telephony system usually provides caller ID on demand (appears on the telephone LCD) when caller ID is used but obviously this caller ID feature could be absent for whatever reasons. This explained why Katz teaches asking for subscriber ID and PIN (as above).

15 However, does this mean by asking subscriber ID and PIN, the subscriber is unknown to the host server ? Katz taught a subscriber ID is denoted as telephone number (Col 7 line 6). With respect, it does not make any sense for Telecommunication Operator (Telco) failing to know the identity of the assigned telephone number. Surely the Telco has to billed its clients and if their identity is unknown then how could they be billed ? The fact that ‘silent number’ exist does not mean the Telecommunication Operator does not know
20 the identity of the owner of the number.

The appellant would respectfully argued that since Katz uses a system that is integrated to prepaid telephony platform and have access to its database 173 (See Col 9 line 5 to line 25 and Fig 3A) and hence these subscribers in said database 344 are subscribers to said
25 telephony platform 170, it is very unlikely these subscribers are unknown to the telephony service provider 170. The fact that a service is prepaid does not mean the (telco) telephone company does not ask for identification when opening an telephone

Application number: 09/396005

Art Unit: 3621

Applicant: Khai Hee Kwan

Examiner: Evens Augustin

Title: Method, apparatus and program to make payment in any currencies through a communication network system using prepaid cards

account, nor is this a known practice. The examiner may wish to provide evidence of anonymous prepaid telephony accounts (if any).

Even non-subscribers will be allocated a temporary subscriber ID for a specific
5 transaction. (See Col 7 line 29). Furthermore, when it comes to redeeming its unit-minute, Katz taught of the option of sending it to a bank account (Col 8 line 1-5) for payee. Surely, at this stage the UMS 340 must know to whom the money must be credited based on the bank account information. As far as ACH is concerned, the bank account must tally with the name of payer/payee or the transaction will fail. Therefore,
10 the Appellant respectfully submits that unless there is clear evidence to support the examiner's conclusion that a telco's database (173) or its sidekick Katz database (344) are inept in identifying its customers, then these claims must be allowed.

As stated previously, even when obviousness is based on a single prior art reference,
15 there must be a showing of a suggestion or motivation to modify the teachings of that reference. See B.F. Goodrich Co. v. Aircraft Breaking Sys. Corp., 72 F.3d 1577, 1582, 37 USPQ2d 1314, 1318 (Fed. Cir. 1996). Since no suggestion has been shown and with respect the rejection is unsustainable.

20

Claims 44,45,46

These claims deals with issuance of a receipt representative a prepaid card having at least a serial number by a POS connected to said server. To clarify, these claims are directed to
25 a user purchasing a prepaid card at POS and issues a receipt representative of said prepaid card. User therefore receives a receipt plus a prepaid card. This is in case the user lost the

Title: Method, apparatus and program to make payment in any currencies through a communication network system using prepaid cards

prepaid card, he could still rely on the receipt which bears a serial number connected to said prepaid card to cancel the card if the amount is still 'floating' (ie before storing it).

The examiner provided Item K & L at page 6 of final action letter to show obviousness.

- 5 The evidence in Katz as suggested by the examiner to be found at Col 7, lines 63, col 8 lines 2 and 15 and col 19 lines 17-24. To restate these evidence, the appellant quotes the whole paragraph encompassing col 7, line 63 to col 8 line 15 for completeness as follows:

- 10 “In a preferred embodiment, the system and method of the invention also provides a method for subscribers to access their "minute account" from any ATM or retail point-of-sale, POS terminal. In this method, the subscriber is issued a debit card associated with their prepaid minute account. This debit card is configured and functions in the same manner as traditional checking account based debit cards, except that in this case, withdrawals trigger a reduction of unit-minutes equivalent to the value of withdrawal.
- 15 Integration between the system and POS/ATM networks requires that the system and its associated corporate owner become a member bank within the financial network. Membership typically entails meeting certain network guidelines concerning credit worthiness and financial liquidity. In addition such memberships usually entail that the member becomes a governmentally registered and regulated bank. In an embodiment
- 20 where a non-financial network member implements the invention, it may be advantageous to partner with an existing financial network member. In this method of integration, the system's financial network interface would interface with the backend computer systems of the financial partner instead of directly with the financial networks.”
- 25 The appellant respectfully submits that the above only shows POS being accessed by a debit card to check prepaid minute account. There is nothing to show printing a receipt representative of a prepaid card.

Application number: 09/396005

Art Unit: 3621

Applicant: Khai Hee Kwan

Examiner: Evens Augustin

Title: Method, apparatus and program to make payment in any currencies through a communication network system using prepaid cards

As for Col 19 lines 17-24, this is stated as follows:

- “Once this has been determined, UMACH 370 will send a message via UMACH TP
5 interface 371 to bank computer system 377 requesting that it issue appropriate payment requests, via interbank financial network 365, to all members who owe unit-minutes to UMACH 370 network. This payment request is in the form of the currency equivalent of the owed unit-minutes and is directed to be made to a UMACH settlement account 385.”
- 10 The examiner also reasoned “ Sending receipt to both the sender and receiver. This message may be sent in a number of formats.....facsimile message (Print) or text...., containing account/transaction ID”

- With respect, it is clear the examiner is attempting to combine two different stages in
15 Katz’s teachings, the first being to access minute account using a POS and the second UMACH performing a reconciliation between members’ unit minute accounts (similar to ACH) in sending receipts. Not only is the combination disjointed, but the claimed invention also requires “...receipt representative of the prepaid card having at least a serial number” which is not found in Katz. It is clear the receipt in Katz contains
20 “account/transaction ID” for a past transaction while this claimed receipt represents at least a serial number of the prepaid card. As mentioned in this claimed invention, the purchase of a prepaid card is used to load money into the system as stored funds, hence a receipt is issued when a prepaid card is purchased (prior to any loading or transfer). This is in contrast to “account/transaction ID” of a past transfer of funds in Katz.

25

As stated previously, even when obviousness is based on a single prior art reference, there must be a showing of a suggestion or motivation to modify the teachings of that reference. See B.F. Goodrich Co. v. Aircraft Breaking Sys. Corp., 72 F.3d 1577, 1582, 37

Application number: 09/396005

Art Unit: 3621

Applicant: Khai Hee Kwan

Examiner: Evens Augustin

Title: Method, apparatus and program to make payment in any currencies through a communication network system using prepaid cards

USPQ2d 1314, 1318 (Fed. Cir. 1996). Since no suggestion has been shown and with respect the rejection is unsustainable.

The Appellant respectfully asked the claims to be allowed.

5

Claims 48,49

The examiner provided no mention directly to the elements found in both claimed invention.

10

In particularly, these are addition elements over claim 13,34,39 includes :

A. ... whereby said account having a payer created identifier different from source of funds;

15 Bstored funds deposited without using a bank account;

Cwhereby payer and payee are two different persons.

20

As for A, the appellant submits that Katz fails to show this as the subscriber identifier is a phone number (Col 7 line 6), it is unknown in the art whereby the subscriber create his own telephone number himself. (contrast from choosing or given a number by telco).

25

As for B, the appellant submits that Katz teaches depositing using a bank account (Col 13 line 52, Col 15 line 55- Col 16 line 30). Katz also provides using a credit card to purchase prepaid minutes. And even if all kind of funding facilities could be used including a prepaid calling card, one still must remember Katz teaches a telephony platform which must necessarily means its value must be stored as prepaid unit minutes and NOT stored funds.

Application number: 09/396005

Art Unit: 3621

Applicant: Khai Hee Kwan

Examiner: Evens Augustin

Title: Method, apparatus and program to make payment in any currencies through a communication network system using prepaid cards

As for C, Katz also teach subscriber redeeming the unit-minutes himself which means it could be the same payer and payee even though in general the appellant concedes, the payer subscriber and payee subscriber should be different persons.

5

Hence as far as A and B are concerned, the appellant submits Katz's teaching failed to show the elements and with respect 103(a) was not made out by the examiner. As mentioned previously, the examiner also failed to address the issue of said account having a payer created identifier different from the source of funds.

10

As stated previously, even when obviousness is based on a single prior art reference, there must be a showing of a suggestion or motivation to modify the teachings of that reference. See B.F. Goodrich Co. v. Aircraft Breaking Sys. Corp., 72 F.3d 1577, 1582, 37 USPQ2d 1314, 1318 (Fed. Cir. 1996). Since no suggestion has been shown and with respect the rejection is unsustainable.

15

With respect, these claims should be in allowance.

20 **Claims 50,51,52**

25

The examiner provided no mention of them based on the amendment in 22 July 2007 and in this final rejection mailed March 18 2009. In fact, the Appellant believed the examiner has used out of date rejection as in Item M at page 6 which has nothing to do with cash cards. Obviously Katz fails to show this as it teaches a prepaid calling card to make telephone calls which is not a cash card. It is also well known that a credit or debit cards are NOT cash card. Similarly, the appellant respectfully asks these claims to be allowed.

Application number: 09/396005

Art Unit: 3621

Applicant: Khai Hee Kwan

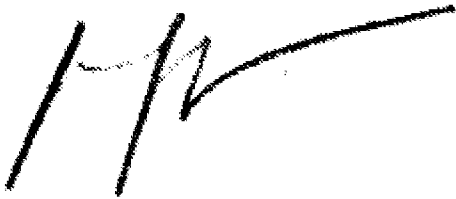
Examiner: Evens Augustin

Title: Method, apparatus and program to make payment in any currencies through a communication network system using prepaid cards

As stated previously, even when obviousness is based on a single prior art reference, there must be a showing of a suggestion or motivation to modify the teachings of that reference. See B.F. Goodrich Co. v. Aircraft Breaking Sys. Corp., 72 F.3d 1577, 1582, 37
5 USPQ2d 1314, 1318 (Fed. Cir. 1996). Since no suggestion has been shown and with respect the rejection is unsustainable.

Much Obligated,

10

A handwritten signature in black ink, appearing to be 'KHAI KWAN', written in a stylized, cursive-like font.

Khai Kwan

Appellant/Applicant

2 June 2009